

STATEMENT OF ECONOMIC IMPACT TO SMALL BUSINESSES

1. Name of Board, Committee or Council: Board of Medical Examiners' Committee on Physician Assistants

2. Rulemaking hearing date: December 18, 2006

3. Types of small businesses that will be directly affected by the proposed rules:

- (a) Physician assistants who provide their services as independent contractors rather than as an employees; and
- (b) Medical practices that employ physician assistants; and
- (c) Continuing education course providers; and
- (d) Independently owned pharmacies.

4. Types of small businesses that will bear the cost of the proposed rules:

(a) Short term

- I. Physician assistants who provide their services as independent contractors rather than as an employees; and
- II. Medical practices that pay for the continuing education of the physician assistants whom they employ; and
- III. Independently owned pharmacies.

(b) Long term

The Board anticipates the proposed rule amendment will reduce, rather than increase, small business expenses for:

- I. Physician assistants who provide their services as independent contractors rather than as an employees; and
- II. Medical practices that employ physician assistants.
- (c) Continuing education course providers will have routine course development and presentations costs but will also have routine revenue coming from course registration fees.

5. Types of small businesses that will directly benefit from the proposed rules:

(a) Short term

Continuing education course providers whose course registration revenues exceed their course development and presentation expenses.

(b) Long term

- I. Physician assistants and medical practices that employ physician assistants will realize the benefits of improved patient care as a result of having obtained knowledge of current prescribing practices, including possible efficiency improvements, reduced insurance costs, a lower probability of licensure or peer review discipline and a reduction in malpractice awards, judgments and settlements; and
- II. Continuing education course providers whose course registration revenues exceed their course development and presentation expenses.

6. Description of how small business will be adversely impacted by the proposed rules:

- (a) Physician assistants and medical practices who pay for the continuing education of the physician assistants whom they employ may have to pay higher registration fees to find a course that will meet the proposed rule's requirements. Also, because of the way continuing education is offered, some physician assistants will end up completing an additional hour of continuing education instead of making the prescribing course part of the existing one hundred (100) hour requirement; and
- (b) Continuing education course providers whose course registration revenues are less than their course development and presentation expenses will realize a loss from the course.
- (c) Independently owned pharmacies may see a reduction in business if fewer prescriptions are filled as a result of improved prescribing practices.

7. Alternatives to the proposed rule that will accomplish the same objectives but are less burdensome, and why they are not being proposed:

The Committee is concerned with Tennessee's history of excessive drug prescribing and drug consumption, and therefore does not believe there are less burdensome alternatives. Continuing education will not guarantee that a licensee learns or retains knowledge but the

Committee is not aware of any less burdensome alternative that holds similar promise and potential.

8. Comparison of the proposed rule with federal or state counterparts:

Federal The Board is not aware of any federal counterparts.

State The proposed rule amendment is similar to various continuing education category requirements for fifteen (15) of the health-related licensing boards, committees, and councils.